



STATE OF GEORGIA  
GEORGIA TECHNOLOGY AUTHORITY

ADDENDUM NUMBER: 07

DATED: April 30, 2001

REQUEST FOR PROPOSAL NUMBER GTA-000011 FOR:

**The Georgia Department of Community Health and The Board of Regents  
of the University System of Georgia  
Third Party Administration and System Integration**

The attached information is made a part of this RFP. The purpose of this addendum is to provide the following:

- 1) **Revisions and additions to the RFP and Appendices, as summarized in the attached Table of Amendments; and**
- 2) **Amended and/or replacement sections of the RFP and/or Appendices, as identified in the attached Table of Amendments and attached to this notice.**

**Information concerning this solicitation may be found at:**

**<http://www.gagta.com>**

Then select "Request for Proposal", "Submit", "Edit", "Find in Page", enter RFP number, "Find Next", double click "Specifications". This will have RFP Q&A and any clarifications, schedule changes, and other important information.

**Bidders should check these electronic pages daily!**

***Note: Review Carefully!***

In the event of a conflict between the previously released information, either in the RFP or in associated documents such as the Question and Answer matrix, and the information contained herein, the information in this amendment shall control.

**NOTE: A signed acknowledgment of this addendum (this page) should be attached to your RFP response. A signature on this addendum does not constitute your signature on the original RFP document. The original RFP response must also be signed in the proper places.**

Company Name: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
\_\_\_\_\_

**REQUEST FOR PROPOSAL NUMBER GTA-000011**  
**For**  
**The Georgia Department of Community Health and The Board of Regents**  
**of the University System of Georgia**

**Table of Amendments**

Amendment		Amended Document		Document Location		
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP	Cover Page	N/A	RFP Cover Page	<i>Please see <u>Attachment 1</u> for a replacement RFP cover page showing a change for the proposal due date to Monday, <b>May 14, 2001</b>.</i>

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<sup>1</sup> This is the page number in the RFP issued on the GTA website on 02/14/01.

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP	6	1.1.1	Summary of Scope of Services	<p><b><i>Correction to footnote in the 1st bullet and correction to the 2nd bullet for BORHP membership numbers.</i></b></p> <p>The following benefit programs are included in this scope of services:</p> <ul style="list-style-type: none"> <li>▪ State Health Benefit Plan (SHBP) consists of approximately 570,000 members in indemnity and Preferred Provider Organizations (PPO) plans;</li> <li>▪ Board of Regents Health Plan (BORHP) consists of approximately 75,000 members in indemnity and PPO plans; and</li> <li>▪ Medicaid and PeachCare for Kids consist of approximately 1.1 million members.</li> </ul> <p><sup>1</sup> <i>IMPORTANT: The prime contractor will be responsible for paying claims and providing customer and provider service for approximately 398,000 members in SHBP, and approximately 75,000 in BORHP. The prime contractor will be responsible for supporting open enrollment for an additional 172,000 HMO enrollees for SHBP and approximately 15,000 HMO enrollees for the BORHP.</i></p>

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/23/01	RFP  Amendment 2, issued on 3/08/01	22	1.6	Contract Term	<p><i><b>Please change all references to the contract start date to June 2001 as follows:</b></i></p> <p><b>1st Sentence</b>—The resultant contract will begin on or about June 2001, and will run separately for each program.</p> <p><b>2nd Paragraph</b>—The DCH/BOR intend to award the contract on or about June 2001; however, the first fiscal year on which the Bidder will bid is FY2002, which begins on July 1, 2001 and ends June 30, 2002.</p> <p><b>3rd Paragraph</b>—Therefore, Year 1 is considered to run from the contract start date (on or about June 2001) through June 30, 2002.</p>
7	4/30/01	RFP  Amendment 2, issued on 3/08/01	37	3.3.1	Vendor Characteristics	<p><i><b>Please update the 2nd Paragraph, 1st Bullet, as follows:</b></i></p> <ul style="list-style-type: none"> <li>▪ Based on a contract award date on or about June 2001, the ability to implement and support administration of the DCH programs by the deadlines specified in Section 3.5;</li> </ul>

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP  Amendment 2, issued on 3/08/01	41	3.5	Deadlines	<i>Please update the first sentence as follows.</i>  Based on a contract award date on or <b>about June 2001</b> , the successful vendor(s) must commit to an implementation and support administration of:
7	4/30/01	RFP  Amendment 4, issued on 3/27/01	78	5.1	Bidder Evaluation	<i>Please change the dates in Paragraph 5 as follows.</i>  The DCH will invite each finalist to present their capabilities during an oral presentation at DCH during the week of <b>June 4</b> , 2001, and a demonstration at a representative facility/facilities of the bidder during the week of <b>June 11</b> , 2001.

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP  Amendment 6, issued on 4/12/01	79	5.3	Evaluation of Technical Proposal  1 <sup>st</sup> Paragraph	<p><i>Please replace the 1st paragraph with the following text.</i></p> <p>The Evaluation Committee will allocate up to 1,000 points to each bidder meeting the proposal minimum submission requirements. The technical portion of the proposal will be worth a maximum of 700 points, and the cost portion of the proposal will be worth a maximum of 300 points. This allocation of points between the technical portion and the cost portion of the proposal is intended to emphasize the relative importance of the technical proposal. Further, it is particularly intended to emphasize the importance DCH attaches to implementing innovative and creative technologies and operational solutions.</p>
7	4/30/01	RFP	80	5.3	Evaluation of Technical Proposal  Scoring Category/Points Table	<p><i>Please change the point allocation for item 6 in the Scoring Category/Points Table as follows.</i></p> <p>Change the point allocation to “Up to 200 points” to coincide with the reallocation of technical and cost proposal point scoring described above.</p>
7	4/30/01	RFP	80	5.4	Evaluation of Cost Proposal	<p><i>Please change the first sentence as follows.</i></p> <p>The Cost Proposal portion will be worth a maximum of 300 points.</p>

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP	81	5.4	Evaluation of Cost Proposal	<p><i>Please revise the remaining text in Paragraph 12 as follows.</i></p> <p>The Cost Proposal score will be calculated as follows:</p> <p><u>Lowest PV Cost from Any Bidder X 300 points</u> Bidder's PV Cost</p> <p>Bidders are directed to review <b>Appendix L</b> for special considerations regarding the costs of proprietary software.</p>
7	4/30/01	RFP Amendment 4, issued on 3/27/01	84	6.4	Period of Performance	<p><i>Please change the date in the 2nd Paragraph as follows.</i></p> <p>Any contract awarded hereunder shall commence on or about <b>June 2001</b>, or date of award if later.</p>
7	4/30/01	RFP Amendment 4, issued on 3/27/01	84	6.4	Period of Performance,  Program Contract Dates Table, Contract Start Dates	<p><i>Please change the start date in the table as follows.</i></p> <p>Change the contract start date from June 6, 2001 to <b>June 2001</b>.</p>

Amendment		Amended Document	Document Location			
No.	Date	Document	Page(s) <sup>1</sup>	Section No.	Section Heading	New or Revised Text is Highlighted in Yellow
7	4/30/01	RFP	N/A	Appendix A	Schedule of Events	<i>Please replacement Appendix A, Schedule of Events, with the new version provided as <u>Attachment 2</u>.</i>
7	4/30/01	Appendix L	N/A	Appendix L	Cost Proposal Requirements	<i>Please replace Appendix L, Cost Proposal Requirements, with the new version provided in <u>Attachment 3</u>.</i>
7	4/30/01	Appendix N	N/A	Appendix N	Contract Terms and Conditions	<i>Please replace Appendix N, Contract Terms and Conditions, with the new version provided in <u>Attachment 4</u>.</i>



# Attachment 1



**STATE OF GEORGIA  
GEORGIA TECHNOLOGY AUTHORITY  
REQUEST FOR PROPOSAL NUMBER GTA-011**

**For**

**The Georgia Department of Community Health and  
The Board of Regents of the University System of Georgia**

**Third Party Administration and System Integration**

**PROPOSALS DUE: May 14, 2001, 3:00 PM Eastern Standard Time**

**Proposal must be formatted as required in the RFP.**

**Information concerning this solicitation may be found at:**

**<http://www.gagta.com>**

Then select "Request for Proposal", "Submit", "Edit", "Find in Page", enter RFP number, "Find Next", double click "Specifications"  
This will have RFP Q&A and any clarifications, schedule changes, and other important information.

**Bidders should check these electronic pages daily!**

**Questions should be directed to GTA Contracting Officer, Barry Shepard, via e-mail to:**

**[bshepard@gagta.com](mailto:bshepard@gagta.com)**

**Instructions to Bidders**

All spaces below are to be filled in and Proposal Letter on page two must be signed where indicated. Failure to sign and return Proposal Letter may cause rejection of the proposal.

Company Name: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**(E-mail is the preferred method of communication.)**

**Submit Proposal to:**

Georgia Technology Authority  
100 Peachtree Street, Suite 2300  
Atlanta, Georgia 30303-3404

**Request for Proposal Posted to Internet: February 14, 2001**

## Attachment 2

### Appendix A—Schedule of Events

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Event	Date
Release RFP	02/14/2001
Deadline for Written Questions*	03/06/2001
Optional Bidders' Conference/Two Delegates Maximum**	03/09/2001
Transcript of the Bidders' Conference and a list of conference attendees will be posted on the Internet at <a href="http://www.gagta.com">www.gagta.com</a> and at <a href="http://www.communityhealth.state.ga.us">www.communityhealth.state.ga.us</a>	03/16/2001
Bidder Q&As will be posted on the Internet at <a href="http://www.gagta.com">www.gagta.com</a> and at <a href="http://www.communityhealth.state.ga.us">www.communityhealth.state.ga.us</a>	03/19/01
Contract Posting	03/29/2001
Intent to Bid Letter	04/04/2001
Proposals Due***	05/14/2001, 3:00 PM EST
Technical Evaluation	05/14/2001–06/04/2001
Finalist/Oral Presentations	Week of 06/04/2001
Finalist/Vendor Demo Site Visits	Week of 06/11/2001
Cost Evaluation Complete by GTA/Mercer	06/15/2001
Contract Award Date (on/about)	06/22/2001
Phase I Implementation—Medicaid/PeachCare for Kids	10/01/2002
Phase II Implementation—SHBP	07/01/2003
Phase II Implementation—BORHP	01/01/2004

\*Please submit questions via e-mail to: [bshepard@gagta.com](mailto:bshepard@gagta.com)

\*\*Participation in the Bidders' Conference is limited to only two people attending from each Bidder or subcontractor.

\*\*\*Proposals must be delivered to the following address no later than 3:00 PM EST:

Georgia Technology Authority  
100 Peachtree Street, Suite 2300  
Atlanta, Georgia 30303-3404

## Attachment 3

### Appendix L—Cost Proposal Requirements

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**NOTE: Bidder must sign and date each page of this Cost Proposal in the spaces provided at the bottom of the page.**

Complete each of the sections 1 through 6 below using the following assumptions and instructions.

#### General Assumptions

In completing this Cost Proposal, use the following assumptions:

- The respective Third Party Administration and Customer Service PMPM and PEPM fee quotes and the In-State Indemnity Physician Network Access fee quotes are to be valid from the implementation of program support through June 30, 2005 (December 31, 2005 for BORHP). Thereafter, Third Party Administration and Customer Service fees will be prospectively adjusted based upon CPI-U for the preceding twelve (12) month time period (for example, fees for July 1, 2005, through June 30, 2006, will be adjusted based upon CPI-U for July 1, 2004, through June 30, 2005). Assume CPI-U of 5 percent in responding to this Cost Proposal.
- The state agrees to renegotiate the PMPM/PEPM if membership volume declines more than 10 percent over a consecutive six-month period of time. If this were to occur, DCH would allow for a renegotiation of the PMPM/PEPM fixed fee to be effective during the next fiscal year.
- Assume an average Medicaid population of 980,000 members throughout life of contract.
- Assume an average PeachCare for Kids population of 120,000 members throughout life of contract.
- Assume an average SHBP population of 570,000 members including both active and retired individuals. Of these, 398,000 total members (203,000 employees) are enrolled in PPO, CCO, and indemnity options. For the purposes of pricing access to the in-state indemnity physician network, assume that there are 24,500 employees in the indemnity option for SHBP. The remaining 172,000 SHBP members are enrolled in HMOs. For these members, the prime contractor would not provide TPA and customer services, but would provide open enrollment support. Assume these figures throughout the life of the contract.
- Assume an average BORHP population of 75,000 total members (36,000 employees) in PPO, CCO, and indemnity options throughout the life of the contract. For the purposes of pricing access to the in-state indemnity physician network, assume that there are 7,500 employees in the indemnity option for BOR. **There are approximately 15,000** ~~remaining 9,000~~ BORHP members ~~are~~ enrolled in HMOs.

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Signature

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Date

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- For the purposes of this Appendix, Year 1 is considered to run from the contract start date (on or about June 2001) through June 30, 2002. Subsequent Years run from July 1 of a given year through June 30 of the following year. Please note that the Operational Fees proposed for the Board of Regents Health Plan represent the period January 1, 2004, through December 31, 2004, for Year 3. Subsequent years for BOR run from January 1 of a given year through December 31 of the same year.

## **Non-Proprietary versus Proprietary Software**

DCH recognizes that bidders may propose software systems falling into one of two categories, as defined in the Code of Federal Regulations (CFR). Specifically, per “45 CFR Subpart F—Automatic Data Processing Equipment and Services—Conditions for Federal Financial Participation (FFP) Sec. 95.617 Software and ownership rights,” DCH recognizes that software systems may be:

- **Non-proprietary software:** Software designed, developed, or installed (DDI) with FFP, whether such FFP was part of a previous project or part of the current project. Such software is subject to the following requirements:
  - Federal Government license: Per this section of the CFR, the Federal Government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and otherwise use and to authorize others to use for Federal Government purposes, such software modifications, and documentation.
  - State of Georgia ownership: Further, if used in the current project, the State of Georgia would have all ownership rights in software or modifications thereof and associated documentation designed, developed, or installed with FFP.
- **Proprietary software:** Software not designed, developed, or installed with FFP, either previously or for the current procurement, which is provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions as described in the previous point, ‘Non-proprietary software.’

**The following are special instructions pertaining to proposed software that is considered to be proprietary:**

- **System software owned by third parties:** Note that proprietary software includes both application software packages (e.g., claims systems and customer service systems) and system software (e.g., operating systems, database management systems, compilers, and so on that are owned by entities other than the prime bidder and its subcontractors). Costs for system software should be included in the cost grids below under ‘System Equipment.’

The remainder of the discussion in this section pertains only to proprietary application software packages.

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Signature

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Date

- **Vendor choice:** Bidders proposing application software that is currently categorized as proprietary software must choose between bidding the software as proprietary software or as non-proprietary software.
- **Core software versus system changes:** Core software refers to the application software prior to designing, developing, and implementing additional enhancements and modifications ('System Changes' in the cost grids below) needed to meet specific DCH requirements not currently met by the software. The bidder may propose offering some or all of its core proprietary software as non-proprietary software. Further, with regard to system changes, the bidder may designate a portion of the system changes as non-proprietary and the remainder as proprietary. System changes must be modular or component-based in order that they may be used with other application systems that adhere to HIPAA data coding standards. The bidder must indicate these choices in Cost Grids 1 and 3 of this **Appendix L**.
- **Bidding as proprietary software:** If some or all of the core software or the system changes are bid as proprietary software, then the bidder shall retain ownership rights to that proprietary software, as described above. However, the bidder shall grant the State of Georgia a perpetual license to the proprietary software, including both core application packages and system changes, in exchange for a one-time license fee specified below in this **Appendix L**, Cost Grid 3. Note that if all of the core application software is proposed as non-proprietary, but some or all of the system changes are proposed as proprietary, then the bidder shall grant the State of Georgia a license to the proprietary system changes as part of the design, development, and implementation costs of that software.
- **Bidding as non-proprietary software:** If bid as non-proprietary software, then the software will be subject to the Federal Government license and State of Georgia ownership provisions described above. Further, no license fee shall be charged.
- **Availability of State funding:** Note that, for software bid as a proprietary system, DCH will not receive FFP for DDI software costs. This will not be a consideration in the calculation of Cost Proposal scores, as described in RFP Section 5.4 (although license fees for proprietary software specified in Cost Grid 3 will affect Cost Proposal scores).
- **No cost shifting:** Further, at the time of BAFO, DCH may require that finalist bidders submit additional, detailed cost data to support the costs proposed by the bidders. The purpose of this analysis will be to ensure that bidders have not inappropriately shifted costs for proprietary software to cost categories that are eligible for FFP.

### **Third Party Administration and Customer Service Fees**

Third Party Administration and Customer Service fees are subject to re-negotiation should membership volumes decline by more than **ten (10)** percent from those assumed in this Appendix.

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Signature

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Date

The Third Party Administration and Customer Service Fees will not cover the following expenses, which will be reimbursed separately:

- The medical costs associated with SHBP, BORHP, Medicaid, and PeachCare for Kids;
- Postage costs

The Third Party Administration and Customer Service fee will cover all other costs associated with the delivery of third party administration services included in the scope of this RFP. In estimating costs, bidders' consideration should therefore include, but not be limited to the following:

- Continuous Technology Refresh (per RFP Section 1.1.5.5), including:
  - Improving delivery of services to DCH clients via both technology and service delivery upgrades;
  - Keeping systems current with industry standards and future information technology developments;
  - Providing an annual technology assessment report and recommendations for improvement;
  - Presenting new developments in healthcare information processing technology to DCH, including cost justifications for any additional costs associated with these upgrades;
  - Assuring “backward compatibility” for any technology refresh, including development and support for any interfaces needed to assure that new technology is fully compatible with existing technology in use by the state.

**Note:** DCH specifically wishes to avoid having to authorize additional cost change orders for maintaining and making improvements to systems and processes covered by this contract. DCH believes that many information technology initiatives will be cost justified based on reductions in personnel costs (e.g., implementation of web and IVR communications technologies) and rework costs (e.g., elimination of data keying errors via the use of EDI). Requests for additional cost change orders may be considered by DCH, but should be based on changes in the scope of services required under the contract, not the manner of providing existing services under the contract.

- Staff salaries and fringe benefits;
- Rent, utilities, and facilities maintenance;
- Telecommunications service charges;
- Insurance;
- Costs associated with the production and distribution of forms, handbooks, notices, monthly mailing inserts and brochures, checks, EOBs, and remittance advices;
- Costs associated with open enrollment support for SHBP and BORHP;
- Bank and checking account fees;
- ~~Software rental and maintenance fees;~~
- Performing Provider Training and Provider Workshops;
- Training for DCH staff if required;
- Consumable supplies;
- ~~Maintenance of all computer equipment and routine software maintenance;~~
- Archival record storage and retrieval fees; and

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Signature

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Date

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- Purchase or replacement of all computer and administration equipment subsequent to implementation to support new staff or other program needs.

## **Fees for Managing Subcontractors**

The Prime Contractor must include their fee for managing all subcontractors included in their proposal. This fee does not include management of existing vendors such as MEDSTAT, Express Scripts, UniCare, Magellan, or the to-be-named Third Party Liability Recovery vendor. The Prime Contractor should assume that in the fiscal year commencing July 1, 2004, (January 1, 2005 for BOR) the services currently provided by UniCare for SHBP will need to be provided by the Prime contractor and his subcontractors. **The prime contractor bidder should adjust these fees over time to recognize the additional work required as contractors are added to the scope of services.** More specifically assume the following:

- Responsibility for the utilization management vendor for SHBP and BORHP as of July 1, 2004.
- Responsibility for the behavioral health management vendor for SHBP as of July 1, 2003, and January 1, 2004, for BORHP.

Please note that in future years, the DCH may request that services considered out of scope for this procurement be included. The DCH will negotiate costs associated with the new services at that time.

## **Fees for System Maintenance**

The Prime Contractor must include their fee for maintaining the system proposed in their bid. System maintenance fees would include:

- Software support and error correction
- Updates and enhancements
- Support for third party systems
- Problem resolution
- Software rental and maintenance fees;
- Hardware maintenance fees should be designated on the lines in Cost Grids 1 & 2 labeled System Maintenance costs;
- Fees for Software Maintenance and updates should be indicated in the Core Application Software Package Information Grid under Cost Grid 3.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Payment

The method for contractor payment will be:

Implementation Costs will be paid for each project phase as specified in Appendix H.

Operational Costs will be paid on a monthly basis as follows:

- Annual bid fee for Managing Contractors divided by twelve (12) plus PMPM bid times number of Medicaid/PeachCare for Kids members from current month

*Plus*

- Annual bid fee for System Maintenance divided by twelve (12)

*Plus*

- PEPM bid times number of Fixed fee based on July 1 enrollment figures for SHBP/BORHP employees from current month (= PEPM times enrollment figures)

*Plus*

- Bid In-State Indemnity Physician Network Access fee times number of employees enrolled in the indemnity program for SHBP/BOR from current month.

Fees for a given month may be retroactively adjusted if subsequent eligibility updates show that actual enrollment deviated from the original figures by more than one-half of one percent (0.5%).

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Signature

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Date

RFP# GTA-000011  
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## 1. Cost Grid: Medicaid and PeachCare for Kids

Section	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
<b>IMPLEMENTATION COSTS</b>						
Phase I System Changes: Medicaid and PeachCare for Kids <i>For Phase I System Changes that are proposed as non-proprietary</i>						
Phase I System Changes: Medicaid and PeachCare for Kids <i>For Phase I System Changes that are proposed as proprietary</i>						
System Equipment: Medicaid and PeachCare for Kids						
Administrative Equipment: Medicaid and PeachCare for Kids						
Startup Cost: Medicaid and PeachCare for Kids						
<i>Medicaid and PeachCare for Kids Total Implementation Costs</i>						
<b>OPERATIONAL COSTS</b>						
Fee for Managing Contractors: Medicaid and PeachCare for Kids 10/1/02 through 6/30/06						
Claims Administration and Customer Service: Medicaid and PeachCare for Kids 10/1/02 through 6/30/06						
<i>Medicaid and PeachCare for Kids Total Operational Costs</i>						
<b>SYSTEM MAINTENANCE COSTS</b>						
Fee for <b>Hardware</b> system maintenance for Medicaid and PeachCare for Kids						
<i>Medicaid and PeachCare for Kids Total System Maintenance Costs</i>						
<b>Medicaid and PeachCare for Kids Grand Total Costs</b>						

**Year 1 = June 2001 – June 30, 2002**

**Year 2 = July 1, 2002 – June 30, 2003**

**Year 3 = July 1, 2003 – June 30, 2004**

**Year 4 = July 1, 2004 – June 30, 2005**

**Year 5 = July 1, 2005 – June 30, 2006**

**Note for Year 2 – The Prime Contractor will have both Implementation and Operational costs.**

Signature

Date

RFP# GTA-000011  
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## 2. Cost Grid: SHBP and BORHP

Section	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
<b>IMPLEMENTATION COSTS</b>						
Phase I Changes: MEMS replacement						
Phase II Changes: SHBP and BORHP						
System Equipment: SHBP and BORHP						
Administrative Equipment: SHBP and BORHP						
Startup Cost: SHBP and BORHP						
<b><i>SHBP and BORHP Total Implementation Costs</i></b>						
<b>OPERATIONAL COSTS</b>						
Fee for Managing Contractors: SHBP and BORHP 7/1/03 through 6/30/06						
Claims Administration and Customer Service: SHBP 7/1/03 through 6/30/06						
In-State Indemnity Physician Network Access: SHBP 7/1/03 through 6/30/06						
Claims Administration and Customer Service: BORHP 1/1/04 through 6/30/06						
In-State Indemnity Physician Network Access: BORHP 1/1/04 through 6/30/06						
<b><i>SHBP and BORHP Total Operational Costs</i></b>						
<b>SYSTEM MAINTENANCE COSTS</b>						
Fee for hardware system maintenance for SHBP and BORHP						
<b><i>SHBP and BORHP Total System Maintenance Costs</i></b>						
<b>SHBP and BORHP Grand Total Costs</b>						

**SHBP (Note – BOR operates on a calendar year basis.)**

**Year 1 = June 2001 – June 30, 2002**

**Year 2 = July 1, 2002 – June 30, 2003**

**Year 3 = July 1, 2003 – June 30, 2004**

**Year 4 = July 1, 2004 – June 30, 2005**

**Year 5 = July 1, 2005 – June 30, 2006**

Signature

Date

RFP# GTA-000011  
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April 30, 2001

### 3. Cost Grid: Shared Resources, Software License and Maintenance Fees

Section	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
<b>IMPLEMENTATION COSTS</b>						
<b>License Fee for Core, Proprietary Application Software Packages</b> For each core application software package proposed, provide information below in "Core Application Software Package Information Grid"						
System Equipment: Shared						
Administrative Equipment: Shared						
<b>OPERATIONAL COSTS</b>						
<b>Yearly Software Maintenance and Update Fee</b>						
<b>Shared Implementation Grand Total Costs</b>						

#### Core Application Software Package Information Grid

Core Application Software Package Name	DCH Programs to Be Supported by Package (Check ONE OR BOTH boxes for each software package listed)	Package Offered As (Check ONE BOX ONLY for each software package list)	Perpetual License Fee (enter fee for Proprietary software; enter 'None' for Non-Proprietary software)	Yearly Software Maintenance and Update Fee
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
	<input type="checkbox"/> Medicaid & PeachCare <input type="checkbox"/> SHBP & BORHP	<input type="checkbox"/> Non-Proprietary <input type="checkbox"/> Proprietary		
<b>NOTE: Perpetual License Fee for Core, Proprietary Application Software Packages must match figure entered into Cost Grid 3 under Implementation Costs, and yearly software maintenance fees must also match figures entered into Cost Grid 3 under Operational Costs.</b>				

Signature

Date

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#### 4. Cost Grid: Overall Totals (Grand Totals from previous Cost Grids)

Section	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Medicaid and PeachCare for Kids Grand Total Costs (from Cost Grid 1.)						
SHBP and BORHP Grand Total Costs (from Cost Grid 2.)						
Shared Implementation Grand Total Costs (from Cost Grid 3.)						
<b>Overall Grand Total Costs for Medicaid, PeachCare for Kids, SHBP, and BORHP</b>						

#### 5. Third Party Administration and Customer Service Fee

The bidder must supply two Third Party Administration and Customer Service fee quotes, one for the administration of Medicaid and PeachCare for Kids, and the other for the administration of SHBP and BORHP. The Third Party Administration and Customer Service fee quotes should use the following pricing bases:

- PMPM (Per Member Per Month) basis for Medicaid and PeachCare for Kids fee:  
\$ \_\_\_\_\_
- PEPM (Per Employee Per Month) basis for SHBP and BORHP fee:  
\$ \_\_\_\_\_

*Note the PEPM fee for BOR runs on a Calendar year basis.*

- Paper claim per transaction fee for Medicaid and PeachCare Claims Run Out  
\$ \_\_\_\_\_
- Electronic claim per transaction fee for Medicaid and PeachCare Claims Run Out  
\$ \_\_\_\_\_
- Paper claim per transaction fee for SHBP and BORHP Claims Run Out  
\$ \_\_\_\_\_
- Electronic claim per transaction fee for SHBP and BORHP Claims Run Out  
\$ \_\_\_\_\_

#### 6. In-State Indemnity Physician Network Access Fee

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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The bidder must supply an In-State Indemnity Physician Network Access Fee applicable both to SHBP and BORHP members who select the indemnity plan option.

- PEPM (Per Employee Per Month) basis for SHBP and BORHP fee:  
\$ \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Attachment 4



*Please See Appendix N,  
Contract Terms and Conditions*